

had made me this offer. Things like that didn't impress Mr. Moses too much, the confidence part, and within two days he utilized his normal way of operation, which was to write me a letter complimenting me on being retained by this prominent man, that it was a great compliment to the Fair, to him and to myself, and then he sent about 15 copies to prominent people in New York, so the secret was out. He said I could go when the Fair closed, but later relented a little bit and let me go the first part of September.

The transition was beautiful, with the normal number of farewell parties at the Fair. Moses gave me a gold medal and other mementos. But, I left the Fair on about the first of September, went back to Grafton, West Virginia, with my wife to settle the estate of her mother, who had died just prior to this, and then drove to Chicago, took the train out to Los Angeles, and joined the organization, I think on September 27, 1965. One very interesting thing about the thoughtfulness of the Disney organization: I went out there for a major meeting in January to discuss all the aspects of the property here in Florida and the plan of development, how things were to be approached.

Q: This is Anaheim?

A: No, no. In Burbank. While I was there, the personnel officer talked to me, said that I would become 60 years old before I would officially join the organization in September. They had an insurance plan that let you take out an insurance policy twice your salary, at a very cheap rate, of course. But, if you were 60 or over, you could only take out \$1,000 worth of insurance. So, at that time they employed me at the minimum wage, starting I think in May, and every two weeks I got a check for \$2.50 an hour or something like that for 40 hours. As a result I was able to get in the insurance plan at that salary, and then when I joined later at the maximum amount, all of which shows what a great company it was to me, and I was always very appreciative of it.

For a year-and-a-half, almost, or at least until Walt died I had an office right across the studio from Walt's. And, my main job was to work with

Walt and an architect who had had to do with the design of Disneyland, by the way, in developing a master plan for the big project in Florida. When we finally got to the seventh preliminary master plot plan, Walt was happy with what he saw. He never had much interest in what the theme part was going to be, because as he said, "We've done that. All that's going to require is modernization, bringing it up to date, and planning it from the start as a total concept," rather than like Disneyland, which had started out with minimum funds and gradually expanded. At about that same time, he said that he wanted me to get on my horse and go out and visit industrial research laboratories, because industry was going to be a major part of what we were going to do in Florida, and he wanted to know what industry was thinking about their future: What were they going to be doing 10, 20 years down the line? In the case of Westinghouse and General Electric, for instance, they were not going to be building the same refrigerator, toaster, irons, air conditioning units, generators and what have you. So I developed a series of visits and during the course of the next six or eight months, I visited about 100 industries in the country, talked with them, and in many cases got into their research laboratories. I would come back from trips, report to Walt by short memos what I saw and what I thought might be interesting. He was so interested in Westinghouse that we got into the Gulfstream [jet], about eight of us, and went to Westinghouse and spent two days going through their laboratories, looked at their people mover system, which is the same one by the way that is going in down here at the Greater Orlando Airport, and saw what they were thinking about their future products, going way out in the future.

We visited many companies this same way. Visiting research laboratories continued after Walt died. In several cases, Roy and the executives of the studio and I would go to important places like the Bell labs, IBM, RCA labs, several others, to see what they were thinking about their particular futures. We talked to educators, we talked even to some historians, we visited practical laboratories like Rockwell International, the GE Research Laboratory just north of Los Angeles. It was a fascinating time. I got to know a great many senior

executives of many of the companies, which was very helpful later on.

In the meantime more detailed planning was going on the Florida project, the intimate planning, of the project, even to the extent of starting to look at the finances. That was not faced up to as a project, because in December of '66 Walt died.

Q: What was Mr. Disney's purpose in sending you out to visit these companies in terms of its practical application to Disney World?

A: Well, the philosophy of the project here is evidenced in the name EPCOT, the Experimental Prototype Community (not city) of Tomorrow. And, the idea was that here the people of the world, because we have a large group of international visitors who come to our projects every year, would see and experience what industry was about to develop, or thinking about developing, to put new products into use, to go through the experimental use of those products, and see how they worked. In other words, keep advancing with American industry, and I'm not just talking about manufacturing, but also education, medical care, hospitals, energy, water, and land. All those things that are a part of human life, what makes America, what makes the world. And, as I said before, his idea was to expose not only our great industries but our great philosophies of life to foreign nations and people in the United States and in some way have a resurgence of American loyalty and also set up a relationship between young people in our country and young people in the foreign countries that would be lasting and might lead to important friendships that could impinge on world affairs in years and years to come.

You say he was a visionary. Yes, he was a visionary, but he was a practical visionary. People to People is a great program in the United States. This is people to people impinging upon one another, living with each other. It's a concept that's still in the company and is one of the reasons that EPCOT is being built at the present time.

After Walt died, the full management of the company descended upon Roy, who I said was eight or nine

years older than Walt. He had to learn what was going on in the creative part of the company because that was not his part of the company when Walt was alive. He had to learn about it, and he did a remarkable job of holding the company together, and melding everybody in one joint effort. The biggest joint effort was this project here in Florida.

Oh, I forgot one other thing I think's important. We kept the purchase of this property quite secret. One lawyer greatly experienced in real estate was given the job of assembling properties here in Florida. Walt, at Disneyland, had been circumscribed by a very small piece of property, the total piece eventually only came to about 300 acres. It was built in orange grove country, but as its popularity increased, all of those hanger-on types of things started to develop in Anaheim, around the theme park. And, eventually, we had a little jewel surrounded by more crass money-grabbing sorts of activities, fortune-tellers and hot dog emporiums and all that sort of thing. He felt that his new project needed a frame that couldn't be denigrated by venture types of operations. So, his charter to Bob Foster, who was the person I mentioned who was to get him a piece of property, about 10,000 acres, in Florida, was that it be buffered from the rest of the world.

Bob came down here, always coming through Kansas City, which had been his home, never arrived from Los Angeles at all; took a different name; dealt with a major legal firm in Miami, which was to be trustee of all the lands that were purchased; had the mail that came from them go to Kansas City. Only that law firm knew that Disney was the one that was doing this.

Well, after Bob had assured us that we had the 10,000 acres, and as you saw yesterday it's well buffered from the rest of the world, he told Walt that there was another 5,000 acres contiguous that was available, and Walt said, "Buy it." And, he came back another time, and said that there was another 8,000 acres somewhere else that was contiguous to the property and just expanded it. This went on until we had over 27,000 acres, each time Walt saying, "Buy it." I'm not sure that Roy

didn't tell him at that time that we had enough property, that we could do a world on it. As a matter of fact, I was able to develop the information and told Walt, who was quite impressed with it, that this piece of property is twice the size of Manhattan Island.

I joined September 27th, and I think October 1st I came here, under a different name, with Bob Foster, and stayed at a hotel called the Cherry Plaza over there on Lake Eola. The next morning we got a helicopter and went out to the property, and I was one of the first two people to put their feet on that 27,000 acres, and was greatly impressed with the quality of the land. Incidentally, the total purchase price of all that land was only \$5 million. Goodness knows what it's worth today because property around us is going for \$30 thousand and \$40 thousand an acre, and more. Some luxury property up in the Bay Hill area is going for \$100 thousand a lot. So we have quite a financial gem on our hands. 'Course its major value is because we developed it in the Disney manner.

One of the Disney studio's continuing projects was to send the Gulfstream around the country; pick up newspaper, radio, and TV people in an area; bring them to the studio; show them the movie production activity and Disneyland for three days at our expense; and they'd have lunch with Walt on the last day. One of those, in late September, included a reporter from the Orlando Sentinel Star. At that time in Orlando, the land purchase activity was well known, but nobody knew who was doing it, they thought it was Ford or other companies. Now and again, somebody said probably Disney was active in it. Anyhow, this little girl reporter asked Walt, she said, "This property is being purchased and there are rumors around that it was Disney," and Walt said, "No comment," which was a very bad thing to say. So, on Sunday morning, Bob Foster and I got up, came downstairs, and the headline was, "We Say It's Disney."

And the secret was out. The governor at that time insisted that if it were Disney, he had to know it because he was governor of the state. So, on Monday or Tuesday there was a big meeting held in Miami for some association that the governor was to speak before. Bob Foster and I and Dietz Morrow,

our legal counsel from California, were there, and the governor announced that Disney was the owner of this land and Disney was going to build a big project.

Subsequently, oh, I guess in January or February, we had a big public preview at the Cherry Plaza Hotel. Walt and Roy were there. Walt made the announcement as to what he was going to do on the property and his major thrust was on the EPCOT premise, the city of tomorrow. So, that caused us really to get to work. There were several "outs" on the property, probably a couple of hundred acres, of five-acre plots, and getting that land at a price comparable to what we paid for the other land, which was about \$185 an acre, was an impossible task, and we finally got up to \$1,000 an acre in certain cases. There're still one or two "outs," but only 15, 20 acres.

As I say, after Walt died we went through a period of reorganization, and my activities still continued to be to go around and see industry. But Roy made his mind up that he was going to go ahead with the project, and the planning went forward on the basis of the theme park first. I'm convinced that if Walt had lived, we would have not only done the theme park, but we would've started the other activities on EPCOT at the same time, and through the monorail exposure people would've seen EPCOT coming out of the ground and gradually becoming a reality.

Roy called me in one day, and he said he thought I should go to Florida. Before that, for about a year, I'd been coming down here once a month because we had already started our water conservation program. This program had a main purpose of doing two things, one, to protect the area from floods, but also to assure the maintenance of high water levels around the marvelous foliage we have on the property. So, we started this project, which now involves about 40 miles of canals and 16 structures. When I moved to Florida, one of my main jobs was to supervise that continuing activity, which was the first job that was ever done on this piece of property. It involved the whole 28,000 acres.

The staff increased rapidly, and the theme park

started under construction. In order to develop the property we had to obtain certain governmental rights. There was a law in Florida at that time called Chapter 298 of the Florida statutes that permitted the formation of what was called a drainage district. The drainage districts basically had done just that, drained property so it could be developed.

What we wanted was much more, of course, but we started out with the Reedy Creek Drainage District. In the meantime we developed a master organization plan, which eventually ended up as a piece of legislation forming the Reedy Creek Improvement District, passed by the legislature of the state. The Reedy Creek Improvement District holds all governmental authority on the property to the exclusion of the exercise of normal county authority on that property. We have our own zoning authority, we have our own building code and building department, we own streets and roads, we can build airports if we want to. It's a comprehensive charter. I organized it, was its first president and general manager at the same time. Since it was a legal authority we had to operate in a similar manner to a city or county. My office was small, but my right hand was Sara King, who stayed with me for seven years. She had had a similar position with the head of the largest bank in Florida and hence knew Florida's power structure. She was a great help to me.

We were able to fund our projects at first by borrowing money from Disney. Eventually we sold \$20 million worth of bonds, which paid for the water reclamation project I described, for the wastewater reclamation plant and other government-type projects.

Q: Did the water reclamation plan involve enlarging or preserving the lake that goes into Disney World?

A: Bay Lake. Bay Lake was the existing lake of about a square mile.

Q: I see.

A: One of the first projects was the reclamation of Bay Lake. Bay Lake's water was heavily colored by

tannic acid, a dark-brown color, which would not be used for swimming because it would turn bleached hair brown and white swimming suits would be grey and that sort of thing. So, in order to make it a pristine and beautiful lake, we surrounded the lake with sand levees, usually back in the woods where they wouldn't be visible--so the woods would be highly visible from the lake--then we drained the lake completely, which was quite a major job, through the canals that we had built. We excavated five million cubic yards of sand out of the now dry lake. As you know, Florida is nothing but a sand-spit. We cleaned up the bottom of the lake and then refilled it with well water. It's kept that way now, and we keep it about a foot-and-a-half higher than the normal ground level so that the flow of water will be out rather than in.

At the same time, we constructed a lagoon of about 200 acres on which is the Polynesian Hotel and around which goes the monorail that you rode on yesterday. Many other important things went on at the same time. The Reedy Creek Improvement District at that time had the job of building the power plant, which we called the energy plant, the water system, the electrical distribution system. All the public utilities on the property were built by the Reedy Creek Improvement District. Later the company bought the energy plant and the water plant from Reedy Creek Improvement District, and they're now owned by the Reedy Creek Utilities Company, which is a subsidiary of Walt Disney World.

It was a fascinating time. In 1968, Roy told me he thought I should come down here and be the front man for the project, and so, Mrs. Potter and I moved down here in March of '68, bought a home, and we've been residents here ever since, and have been a part of the community. The most important part of that job was that I had to get to know everybody in the state, and since I was the only officer of Walt Disney Productions here, I then became the head man in the public mind, and joined organizations so that Disney would be represented in civic organizations. I became a member of the board of Orange Memorial Hospital and the Art Museum, Goodwill, the Chamber of Commerce, and others. I also became a member of the Florida Council of 100, really a unique organization. It's

a prestigious organization of 100 principal businesspeople of Florida. It meets regularly and advises the governor. Members are appointed by the governor after recommendations of the council. In any event it was all very good for me because Florida has, I suppose, several hundred retired major generals, very few of whom are known, but I was able to start living an entirely different life by being a part of the Disney organization, and remained a part of that organization until 1973, when I retired. And, with Admiral [Joseph W.] Fowler, who built Disneyland and the theme park here, we formed a little consulting organization and we've been doing consulting jobs ever since. Fortunately we've earned enough money to keep this office, which is a place away from home when necessary. We've had several consulting jobs and have enjoyed life.

Q: Let me ask you a few more questions about Disney World. Did Mr. Disney always have Florida in mind when he first considered the construction of Disney World? Were there other sites that he thought about?

A: Well, ever since Disneyland was a success he'd been importuned by other states and by foreign nations, to build a other Disneylands. We almost built one in St. Louis. He had a great relationship with Augie Busch. Designs were well under way. It was going to be in a high-rise rather than in a ground-level place, but the project died because if you'd been to Disneyland and inside the theme park here, you notice that no liquor of any kind is sold, and Walt wouldn't agree to sell beer.

Q: Is that when Busch started his own theme parks?

A: I think so, yes. It may have been, but, anyhow, it fell by the wayside. But, very important planning had been done. He had to design rides and attractions for that possibility. Also, Walt, at the time of the World's Fair, had never built great rides like those he put in the World's Fair. As a result of the Busch planning followed by the World's Fair, Disney had four important attractions that were relocated to Disneyland at the end of the Fair. Mr. Lincoln, It's a Small World, and General Electric went to Disneyland. The transportation

system at the Ford pavilion went to Disneyland, and became the basic system for most of the future attractions.

Walt, for two reasons, never felt that he wanted to go somewhere else under somebody else's sponsorship, because, number one, businesswise, it wasn't necessary to share proceeds. Second, management might have to be shared. A number of foreign countries that wanted him--England, Spain, many others--but generally they were all politely told that we didn't have the capacity to spread out. But finally, because he was so perturbed with the surroundings of Disneyland, he decided that the next project would be in the eastern part of the U.S. where he could develop a whole major piece of property. He started to think about where it should be. He decided that it was going to be in the Southeast. He established a goal of 10,000 acres.

Most of our visitors to Disneyland come from west of the Mississippi. There was a whole big untapped market here that involved more people than lived west of the Mississippi. I think 50 percent of the people who come to Disneyland are repeats from California. And, California at that time was not a great tourist center. So, he chartered a study aimed at finding out what incentives states in the Southeast offered to new industries that would come to their area. Wasn't a very thick report but it was probably the most important report, and it was decided that Florida was the place as against Georgia, Alabama, or the Carolinas. Then the place: where was it to be in Florida? Well, there's no sense building a thing of beauty that you want people to see unless you have transportation to it, so it had to be somewhere near the major transportation arteries.

Bob Foster, in his first investigation to find 10,000 acres, went all the way from Fort Lauderdale up to 50 or 60 miles north of here, and had bales of maps that showed 10,000 acres available in about 10 sites. But, finally, the decision was made that we would go with our present purchase. We would put it near these two major transportation arteries, I-4 and the Florida Turnpike. They're the only transportation arteries that lead people into

the center of the state and from the south to here. I-75 comes down and joins with the Florida Turnpike out in the north, and I-4 feeds down the East Coast of the United States into I-95. So the location was to be somewhat in this area and was not to be on the ocean. People have asked why many times, because the ocean is an attraction. We were an attraction. Why put two attractions in the same place? So, it was to be in the interior of the country, and we're about as close to the middle as you can get.

Q: Were there many environmental problems you had to deal with in the development of Disney World?

A: There were none. That was before the days of the big drive for EPA. No environmental protection laws had ever been passed. I don't know how long it would take us to build this thing had we started, let's say, today.

Q: Where did the ideas come from for some of those projects out in Disney World? Did they all come from the Disney organization?

A: Oh, yes.

Q: They all did?

A: Oh, yeah. I told you about WED Enterprises. It's our think tank. It's the place where in producing a movie, there are no inhibitions on what you want to do. Star Wars, for instance. Who, in private industry, would ever think of building things that were in Star Wars? The movie industry is made up of very imaginative, creative people, and that's how WED Enterprises started.

Q: Were there any problems in finding contractors to do the innovative work?

A: Oh, no. We didn't do anything on the property until we had a major union agreement with the unions out of Washington. Our labor contract is with them, and it's a no-strike agreement. We live up to our side, they live up to their side.

Q: Was there any local opposition to the project?

- A: As the area started to increase in size, more population moved here, and more masses of people came and you can imagine there were retirees down here who didn't like their way of life disturbed. There is some feeling along that line, but it's minimal. Without doubt Disney has caused the expansion of central Florida.
- Q: Does Disney World provide much tax revenue for the state of Florida?
- A: We're taxed by the state just like any other industry, and also by the county. Our act, the Improvement District Act, did not take away the taxing authority of the county. We're taxed just like any other industry. I don't know how much we provide to the state treasury from the 4 percent sales tax, but it's a lot of money.
- Q: So, in 1973 you left Disney World and formed Fowler, Potter.
- A: Which is not a partnership. It's an association.
- Q: At that point, where was the Disney World project?
- A: Finished. The theme park opened in '71.
- Q: The development of a theme park before EPCOT and so forth, you said that was mainly Roy Disney's decision to do it that way?
- A: Well, EPCOT was going to cost a lot of money. You get money from earnings if possible, and not borrowing, so the theme park was built to provide a source of earnings for the company, and it's been highly successful in doing that.
- Q: But, there obviously are a lot of plans on the board to build a lot more in Disney World.
- A: There's a master plan for the whole piece of property. Incidentally, in the 28,000 acres that we have, there are 7,500 acres that are untouchable. They're aboriginal swamps where there are trees and flowers and all kinds of natural environment. We will never touch 'em, we protect them, there are no structures in them, the canals we excavated are not visible.